



U.S. TREASURY DEPARTMENT OFFICE OF PUBLIC AFFAIRS

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PRELIMINARY REPORT ON FOREIGN HOLDINGS OF U.S. SECURITIES AT END-JUNE 2007

Preliminary data from a survey of foreign portfolio holdings of U.S. securities at end-June 2007 are released today on the U.S. Treasury web site at (<http://www.treas.gov/tic/fpis.html>). A revised table on Major Foreign Holders of Treasury Securities, where estimates through end-December 2007 are based in part on survey data, is also released at (<http://www.treas.gov/tic/ticsec2.html>, on line 4). Final survey results, which will include additional detail as well as possible revisions to the preliminary data, will be reported on April 30, 2008. The survey was undertaken jointly by the U.S. Treasury, the Federal Reserve Bank of New York, and the Board of Governors of the Federal Reserve System. The next survey will be for end-June 2008, and preliminary data are expected to be released by February 27, 2009.

Complementary surveys measuring U.S. holdings of foreign securities are also carried out annually. Data from the most recent survey, reporting on securities held on year-end 2007, are currently being processed. Preliminary results are expected to be reported by August 29, 2008.

Overall Preliminary Results

The survey measured foreign holdings of U.S. securities as of June 30, 2007, to be \$9,772 billion, with \$3,130 billion held in U.S. equities, \$6,007 billion in U.S. long-term debt securities¹ (of which \$1,472 billion are holdings of asset-backed securities (ABS)² and \$4,535 billion are holdings of non-ABS securities), and \$635 billion held in U.S. short-term debt securities. The previous survey, conducted as of June 30, 2006, measured foreign holdings of \$2,430 billion in U.S. equities, \$4,733 billion in U.S. long-term debt securities, and \$615 billion in short-term U.S. debt securities (see Table 1).

1. Long-term debt securities have an *original* term-to-maturity of over one year.

2. Asset-backed securities are backed by pools of assets, such as pools of residential home mortgages or credit card receivables, which give the security owners claims against the cash flows generated by the underlying assets. Unlike most other debt securities, these securities generally repay both principal and interest on a regular basis, reducing the principal outstanding with each payment cycle.

Table 1. Foreign holdings of U.S. securities, by type of security, as of recent survey dates

<u>Type of Security</u>	(Billions of dollars)	
	<u>June 30, 2006</u>	<u>June 30, 2007</u>
Long-term Securities	7,162	9,136
Equity	2,430	3,130
Long-term debt	4,733	6,007
Asset-backed	980	1,472
Other	3,753	4,535
Short-term debt securities	615	635
Total	7,778	9,772
Of which: Official	2,301	2,823

Table 2. Foreign holdings of U.S. securities, by country and type of security, for the major investing countries into the U.S., as of June 30, 2007

(Billions of dollars)					
<u>Country or category</u>	<u>Total</u>	<u>Equities</u>	<u>Long-term debt</u>		<u>Short-term</u>
			<u>ABS</u>	<u>Other</u>	<u>debt</u>
1 Japan	1,197	220	133	768	76
2 China (Mainland) ¹	922	29	217	653	23
3 United Kingdom	921	421	160	316	24
4 Cayman Islands	740	279	236	186	38
5 Luxembourg	703	235	104	320	44
6 Canada	475	347	23	83	22
7 Belgium	396	25	56	313	3
8 Ireland	342	81	75	101	85
9 Switzerland	329	174	41	99	15
10 Netherlands	321	185	64	59	13
11 Middle East Oil Exporters ²	308	139	18	107	44
12 Germany	266	100	51	105	11
13 Bermuda	238	90	53	80	15
14 France	221	132	36	48	6
15 Singapore	175	108	13	52	3
16 Australia	165	87	8	62	9
17 Russia	148	0	0	109	39
18 Korea, South	138	5	13	105	15
19 Hong Kong	138	31	24	75	9
20 Taiwan	121	11	27	80	3
21 Norway	109	56	26	22	5
22 British Virgin Islands	108	67	2	32	7
23 Mexico	107	19	2	74	13
24 Brazil	106	1	0	103	2
25 Sweden	99	60	4	32	4
Country Unknown	214	0	1	211	2
Rest of the World	762	228	87	342	106
Total	9,772	3,130	1,472	4,535	635
of which: Official	2,823	266	280	2,021	256

1. Excludes Hong Kong, Macau, and Taiwan, which are reported separately.

2. Bahrain, Iran, Iraq, Kuwait, Oman, Qatar, Saudi Arabia, United Arab Emirates.